

Healthy Household Initiative

BACKGROUND

Acute respiratory infection, diarrheal disease, and malaria are the leading killers of children under the age of five in the developing world. Shelter is necessary but not sufficient itself for combating these illnesses to raise healthy children and safeguard their living environment. To survive, families must have increased protection from these life-threatening, infectious diseases that strike at the household level. At the same time, some products designed to improve the health of low-income families can also have a positive impact on the environment by working to reduce atmospheric emissions.

As a solution, PATH has developed the Healthy Household Initiative (HHI), which increases the accessibility, affordability, and use of latrines, water filters, clean cookstoves, solar lanterns, and bed nets. The success of the HHI relies on partnerships with microfinance institutions (MFIs) that enable poor households to buy healthy products using consumer loans. Through this mechanism, families overcome the up-front cost barrier for durable goods, local distribution entrepreneurs receive guidance to develop essential business skills, and better products improve health outcomes and reduce atmospheric emissions.



Photos: PATH/Lorelei Goodyear

EVIDENCE FOR ACTION—METHODS

PATH has tested this market-based approach for sales of water filters and latrines through MFIs in India and Cambodia. With appropriate products and marketing, we achieved significantly increased levels of adoption and sustained use among families from all wealth quintiles. We learned how MFI member meetings help aggregate knowledge sharing and demand and make it more efficient for product manufacturers to extend their reach into underserved communities. Our private-sector partners are

already scaling up this model without donor support. As a result, PATH developed the Commercialization Toolkit¹ to help small- to medium-sized entrepreneurs replicate the approach. This supports the development of social enterprises, creates new jobs, and makes homes healthier.

Even with financing some families are too poor to buy such goods. PATH plans to test alternative financing approaches for reaching the poorest of the poor in ways that leverage existing distribution channels and take advantage of the extended reach achieved by this sustainable, market-based approach.

EVIDENCE FOR ACTION—PRODUCTS²

Latrines

Reduce diarrhea morbidity by up to 32 to 37 percent and are extremely cost-effective at US\$11.15 per disability-adjusted life year averted.



Water filters

Reduce diarrhea among children under five and among populations of all ages up to 30 to 40 percent and reduce greenhouse gas (GHG) emissions by up to 0.40 tCO₂e per year.



Cookstoves

Reduce respiratory infections, blackcarbon, and GHG emissions by up to 2.0 tCO₂e per year.



Lamps

Solar- or battery-powered lamps cost less, increase the amount of useful indoor light per day, and reduce the risk of tuberculosis, acute lower respiratory infection, and GHG emissions by up to 0.20 tCO₂e per year.



Bed nets

Reduce malaria episodes by half or more and cut deaths due to malaria by 60 percent in children under five. When used by pregnant women, insecticide-treated bed nets can reduce low birth weight, miscarriages, and stillbirths.



OPPORTUNITIES FOR IMPROVED OUTCOMES

From the health and environment perspective, each of the five products offers a proven health benefit. By combining them, we offer families the opportunity to address multiple health risks with the potential for synergistic effects. Products that are energy efficient and promote health have a positive effect on the wellness of family members and their environment. Children are more likely to thrive when their environment is clean and safe.

From the distribution perspective, investment in building the capacity of distribution entrepreneurs is leveraged across more than one product (because sales territories are small) to maximize impact, sustainability, and return on investment in entrepreneurs.

From the MFI perspective, financing for durable products has proven to be a great way to acquire credit-worthy customers (e.g., 65 percent of customers in VisionFund’s financing program for water filters in Cambodia were new, and 100 percent repaid their loans). However, this has limited value to lenders if there is no opportunity to follow the initial loan with another product loan.

From the best practices standpoint, success achieved through various product loan schemes creates an opportunity to bring complementary approaches together. PATH envisions a Healthy Household Knowledge Hub for the purposes of creating common performance indicators as well as gathering and disseminating challenges and best practices among implementers.

HOW IT WORKS

Donor funds are used to create a revolving loan fund for use in financing HHI products. Grant funding supports PATH and other implementation partners who provide technical assistance to entrepreneurs and research partners who independently evaluate the results.

PATH acts as the knowledge manager, providing technical assistance to the local entrepreneurs, MFIs, and implementation partners, alongside project coordination. PATH works with subject-matter experts to create key performance indicators, monitor and evaluate the implementation activities, and disseminate key learning results.

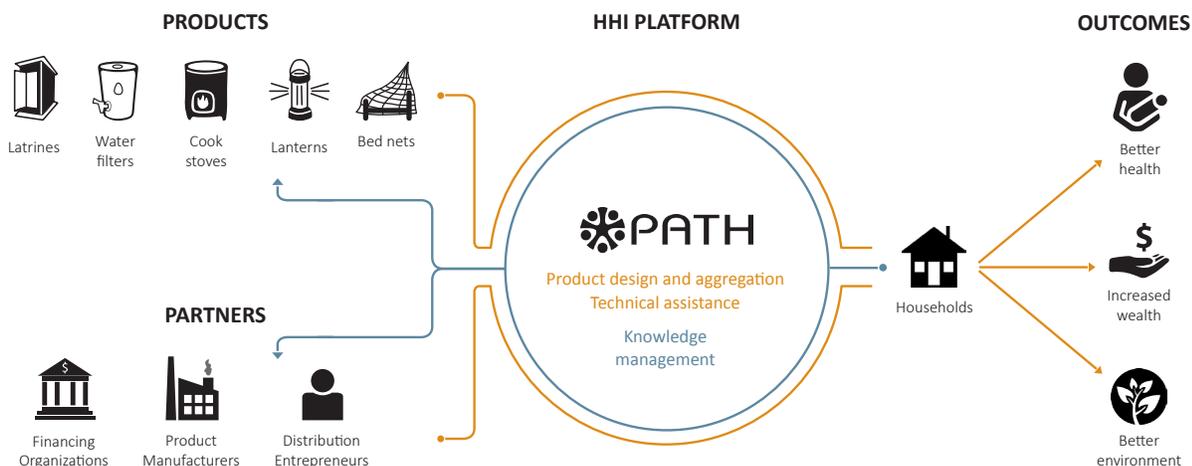
Financing partners work to manage the revolving loan funds and create opportunities to leverage carbon-financing programs. Local financing organizations such as MFIs or savings groups make loans for HHI products to families in low-income neighborhoods in developing countries.

Implementation partners work to recruit, train, and support local distribution entrepreneurs. They will also aggregate HHI products and manage delivery to distribution entrepreneurs. Distribution entrepreneurs sell HHI products and provide post-sale service.

References

- 1 <http://sites.path.org/commercializationtoolkit>.
- 2 Kols A. *Healthy Household Box Set: Literature Review on Health and Social Impacts*. Seattle: PATH; 2012.

Healthy Homes Initiative Program Framework



www.path.org

PATH is an international organization that drives transformative innovation to save lives and improve health, especially among women and children. We accelerate innovation across five platforms—vaccines, drugs, diagnostics, devices, and system and service innovations—that harness our entrepreneurial insight, scientific and public health expertise, and passion for health equity. By mobilizing partners around the world, we take innovation to scale, working alongside countries primarily in Africa and Asia to tackle their greatest health needs. Together, we deliver measurable results that disrupt the cycle of poor health.

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